

1 **I. INTRODUCTION**

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3 **A. Witness Identification**

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5 **Q:** Please state your name?

6 **A:** **Aaron D Stock.**

7 **Q:** Please state your current address of residence?

8 **A:** **18 Woody Ave. / Beardstown / IL / 62618.**

9 **Q:** Have you intervened in this docket?

10 **A:** **Yes. I petitioned to intervene on May 22, 2014, along with my wife, Janelle**
11 **Stock, my brother and sister-in-law, Jon Stock and Rebecca Stock, and the Glen E. Stock**
12 **and Iva M. Stock Land Trust (the “Trust”), which is controlled by me. I have the power of**
13 **attorney to operate the farming operation and land in the Trust.**

14 **Q:** What properties does ATXI Transmission Company of Illinois (“ATXI”) seek to
15 take from your family?

16 **A:** **ATXI is petitioning the Commission to take a portion of land belonging to**
17 **me, my wife, my brother, and my sister-in-law, commonly referred to by ATXI as**
18 **A_ILRP_MI_CA_36 and A_ILRP_MI_CA_45. A true, correct and accurate picture**
19 **depicting these properties and ATXI’s proposed route is attached hereto as Stock Exhibit**
20 **1.01. I refer to these farms collectively as the “North Farm” and will to refer to them as**
21 **such for purposes of this direct testimony.**

22 **ATXI is also petitioning to take a portion of land belonging to my mother’s land**
23 **trust, which is commonly referred to by ATXI as A_ILRP_MI_CA_026. A true, correct**
24 **and accurate picture depicting this property is attached hereto as Stock Exhibit 1.02. I**
25 **refer to this property as the South Farm and will refer to it as such for purposes of this**
26 **direct testimony.**

27 **Q:** Are you offering testimony regarding both the North Farm and the South Farm?

28 **A:** **Yes.**

30 **B. Itemized Exhibits to Direct Testimony**

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32 **Q:** Are you sponsoring any exhibits to your testimony?

33 **A:** Yes. The following exhibits are attached to my testimony:

34 **Stock Exhibit 1.01**—Picture of North Farm with proposed route;

35 **Stock Exhibit 1.02**—Picture of South Farm with original proposed route;

36 **Stock Exhibit 1.03**—Copy of Appraisal for the North Farm;

37 **Stock Exhibit 1.04**—ATXI Initial Offer on North Farm;

38 **Stock Exhibit 1.05**—ATXI revised route through the South Farm;

39 **Stock Exhibit 1.06**—Stock proposed alternative route through the South Farm; and

40 **Stock Exhibit 1.07**—ATXI Initial Offer on South Farm.

42 **C. Witness Background**

43
44 Q: What do you do for a living?

45 A: **I am a farmer.**

46 Q: How long have you been a farmer?

47 A: **I have been a farmer for 31 years.**

48 Q: What is your highest level of education?

49 A: **High school. I attended some college but did not receive a degree.**

50 Q: Do you have experience in land values in Cass County?

51 A: **Yes. As a farmer and landowner in Cass County, I follow land sales and**
52 **auctions on a weekly basis. I follow this information because I am constantly looking for**
53 **buying opportunities to expand my farming operation. I am familiar with the county tax**
54 **rates on farmland, income possibilities and drainage and slope issues that impact value.**

55 Q: Are you familiar with what types of things that drive farmland prices in Cass
56 County?

57 A: **Yes. A number of things drive farmland prices, including, but not limited to,**
58 **commodity prices, soil type productivity index, interest rates and whether the land has**
59 **drain tiles and irrigation equipment.**

60 Q: Have you received any training in land valuation?

61 A: **No. I have not received any formal training in land valuation.**

62 Q: Have you been involved in transmission line negotiations in the past?

63 A: **No.**

64
65 **II. THE NORTH FARM**

66
67 Q: Please describe the North Farm.

68 A: **A_ILRP_MI_CA_36 consists of 280 acres and A_ILRP_MI_CA_45 consists**
69 **of 146.90 acres.**

70 Q: Are you the person primarily responsible for the day-to-day operations of the
71 North Farm?

72 A: **Yes. My brother, Jon, and I farm it and I make the decisions effecting the**
73 **daily operations.**

74 Q: How is the North Farm used?

75 A: **The North Farm is used for agriculture.**

76 Q: Is the North farm improved with any structures?

77 A: **Both tracts of the North Farm are improved with an irrigation system.**

78 Q: Please describe the irrigation system.

79 A: **The irrigation system is a center pivot system that irrigates**
80 **A_ILRP_MI_CA_36 and A_ILRP_MI_CA_45. We also charge a fee to the landowner**
81 **between A_ILRP_MI_CA_36 and A_ILRP_MI_CA_45 for use of the irrigator.**

82 Q: What type of crop do you grow on the North Farm?

83 A: **We raise a premium, commercial seed corn for Monsanto.**

84 Q: Describe your relationship with Monsanto.

85 A: **The North Farm consists of unique land because of the irrigation system on**
86 **it. The North Farm is capable of growing premium crops such as commercial seed corn**
87 **because of the presence of readily available water due to the irrigation system and the**
88 **proximity to the Illinois River. The North Farm is desirable to a company like Monsanto**
89 **because the North Farm can consistently produce high volumes of commercial seed corn.**
90 **Monsanto has entered into seed corn contracts with us to grow the parent seed corn on the**
91 **North Farm. Under such an arrangement, Monsanto gives us the parent seed to grow, and**
92 **after harvest we give the commercial seed end-product to Monsanto. The agreement**
93 **contemplates a bailor-bailee relationship whereby we do not take an ownership interest in**
94 **the seed. Monsanto retains all ownership rights to the commercial seed we plant on the**
95 **North Farm.**

96 Q: Is the compensation for a premium crop like seed corn different from commercial
97 corn?

108 **A: Yes. Monsanto pays us what it refers to as a Location Commercial Corn**
109 **Equivalent. The Location Commercial Corn Equivalent can range between 220 to 300**
110 **bushels per acre.**

111 Q: Do you believe the Commission should grant ATXI the power to proceed to
112 circuit court to take a section of the North Farm?

113 A: No.

114 Q: Why not?

115 A: **ATXI has not made a good faith offer for the North Farm that reflects its**
116 **unique nature and purpose.**

117 Q: How has ATXI's offer failed to reflect the unique nature and purpose of the North
118 Farm?

119 A: **ATXI produced an incomplete appraisal with inaccuracies.**

120 Q: Describe the appraisal ATXI produced.

121 A: **ATXI produced what appears to be an out-of-state appraiser unfamiliar with**
122 **the real estate market in Cass County. A true, correct and accurate copy of the appraisal**
123 **ATXI provided is attached hereto as Stock Exhibit 1.03. The appraisal is incomplete**
124 **because it does not reference that the North Farm is used to grow a premium crop. Thus,**
125 **the North Farm generates more revenue than typical farms growing standard commercial**
crops. My brother and I have met with representatives from Contract Land Staff and
informed them of the type of crop grown on the North Farm and ATXI has refused to
modify the appraisal or offer to reflect the unique income opportunities of the North Farm.

126 Q: Does the North Farm have drainage tiles?

127 A: Yes.

128 Q: Are the drainage tiles referenced in the appraisal?

129 A: No.

130 Q: Do drainage tiles impact farmland valuation?

131 A: **Yes. In Cass County it does.**

132 Q: Why?

126 **A: Drain tiles allow for excess water in soil to flow in the tile line to a drainage**
127 **ditch. It assists in drying out ground. Currently, it can cost \$800 to \$900 an acre to tile a**
128 **field.**

129 Q: Did any appraiser hired by ATXI visit your property to inspect it?

130 **A: No.**

131 Q: Did any appraiser hired by ATXI speak with you or anyone else associated with
132 the North Farm about the property?

133 **A: No.**

134 Q: Did any appraiser hired by ATXI contact you or a family member to discuss the
135 type of crops grown on the North Farm?

136 **A: No.**

137 Q: Is the appraisal accurate?

138 **A: No. It states that the appraisal is based on the assumption that the pivot**
139 **irrigation system will not be impacted by the proposed project. Based on my conversations**
140 **with Contract Land Staff representatives, they cannot guarantee that the irrigation system**
141 **will not be impacted by the transmission line project, either from a construction standpoint**
142 **or a final end-product standpoint. Thus, the appraisal is based on an incorrect assumption.**

143 Q: Did you notice any other issues in the appraisal?

144 **A: Yes. The farmland in Cass County is unique because of the abundance of**
145 **underground water because of the proximity to the Illinois River. This underground water**
146 **may be accessed at a relatively low price to irrigate crops. This situation does not exist in**
147 **other counties and the farmland in Cass and Morgan counties generally have a higher**
148 **value than counties where water is scarcer. The appraiser used comparable sales data from**
149 **Mason County rather than Cass County and the only comparable sale from Cass County is**
150 **over nineteen months old.**

151 Q: Did the appraisal factor any damage to the remainder?

152 **A: No. the appraisal did not include any damage to the remainder and ATXI's**
153 **initial offer did not include any damage to the remainder. A copy of ATXI's initial offer is**
154 **attached hereto as Stock Exhibit 1.04.**

Q: Do you believe ATXI made a good faith offer on the North Farm?

A: **No. I do not believe that ATXI has made a good faith offer for the North Farm because of the numerous flaws in the appraisal.**

Q: Do you believe further negotiations will be useful?

A: **Yes. I believe further negotiations will be useful if ATXI uses an appraisal that accurately depicts the unique features of the North Farm and if ATXI makes an offer based on the same.**

III. THE SOUTH FARM

Q: Please describe the South Farm.

A: **The South Farm consists of 149.70 acres. A majority of the property is used for agriculture. The west side of the tract is approximately 40 acres of timber.**

Q: Are you the person primarily responsible for the day-to-day operations of the South Farm?

A: **Yes. My brother, Jon, and I farm the property for the Trust. I make the decision effecting the daily operations of the South Farm.**

Q: How is the South Farm used?

A: **The South Farm is used for agriculture.**

Q: What types of grain do you grow on the South Farm?

A: **Corn and soybeans. Occasionally we attempt to grow specialty grains.**

Q: Do you believe ATXI has made a good faith offer on the South Farm?

A: **No.**

Q: Why not?

A: **My family has two primary objections to ATXI's initial offer. First, ATXI's initial offer contemplated placing the transmission line across the middle of our farmland. A true, correct and accurate picture of the original route is attached hereto as Stock Exhibit 1.02. The original route, as depicted on Stock Exhibit 1.02, imposed a tremendous hardship on the farming operation of the South Farm. For example, the original route**

interfered with farming efficiency, aerial spraying and weed control. I requested that the route be moved to the west to go through the timber. ATXI, through its land agent, forwarded me a picture of the proposed re-route for the line, which is attached hereto as Stock Exhibit 1.05, but the re-route does not go far enough west to clear our farmland. Our land agent explained that the line could not be moved any further west because of an existing shed and grain bin. This response, however, does not explain why the route cannot enter the South Farm from the south further west and then move around the existing structures as it crosses the northern border. I have attached a copy of a map depicting this option as Stock Exhibit 1.06. This would address our concern with keeping the transmission line out of our farmland, but still address ATXI's concern of keeping the transmission line away from existing structures.

Q: Do you have any issues with the appraisal?

A: Yes. It did not give any consideration to damage to the remainder.

Q: Did ATXI's initial offer have a line item for damage to the remainder?

A: No. A true, correct and accurate copy of ATXI's initial offer for the South Farm is attached hereto as Stock Exhibit 1.07.

Q: Do you believe further negotiations will be useful?

A: Yes. I believe further negotiations will be useful because the route may be further modified to meet our interests. It is difficult to negotiate compensation without having an agreed upon route. Once the route is agreed upon, I believe an agreement regarding compensation may be reached.

IV. TESTIMONY REGARDING NOTICE AND EXPEDITED PROCEDURE

Q: When did you receive notice of these proceedings?

A: May 20 or May 21.

Q: How did you receive it?

A: Via U.S. Mail

Q: Do you know how long Section 8-509 of the Public Utilities Act gives the Commission to rule on a petition filed by a utility?

A: **Yes. 45 days.**

Q: Do you believe 45 days is sufficient time for you to defend the petition filed by ATXI?

A: **No. My brother and I are famers and our workload is seasonal. We are currently in the field planting seed and spraying chemicals. Moreover, we are constantly repairing and maintaining equipment. The 45-day deadline does not give me or my family sufficient time to coordinate with our attorney on a strategy and meet the expedited deadlines, and at the same time, meet our workload obligations on our farms.**

Q: Approximately how many hours a day do you work on your farms during the planting season?

A: **Normally 16 to 18 hours.**

Q: How many days a week do you work on your farm?

A: **Five to six days a week.**

Q: Are you able to take time off work to attend to defending ATXI's Petition?

A: **The farming obligations must be done as the weather permits. I cannot take time off work without incurring large financial losses. As a result, I am not able to give 100% of my attention to defending ATXI's petition.**

V. **CONCLUSION**

Q: Do you believe the Commission should grant ATXI's Petition?

A: **No, at least as it relates to the North Farm and the South Farm. I believe further negotiations as outlined above would result in a compromise.**

Q: Does this conclude your testimony?

A: **Yes.**